

Coluccio, Tina (DNRE)

From: Casey, Steve (DNRE)
Sent: Wednesday, February 03, 2010 5:27 PM
To: Taft, Bill (DNRE); Coluccio, Tina (DNRE); Thomas, Chuck (DNRE)
Subject: FW: EPA letter regarding the Kennecott Mine application (08-52-0140-P)
Attachments: EPA letter Kennecott Mine.pdf

FYI

Kennecott Humboldt NPDES file

From: Smolinski, Mike (DNRE)
Sent: Wednesday, February 03, 2010 12:48 PM
To: Casey, Steve (DNRE); Maki, Joe (DNRE)
Subject: FW: EPA letter regarding the Kennecott Mine application (08-52-0140-P)

Please see attached, Joe, does the 632 permit require monitoring of pH and metals in the lake for the life of the mine? Corrective action plan?

From: Masterson, Mike (DNRE)
Sent: Wednesday, February 03, 2010 11:01 AM
To: Smolinski, Mike (DNRE); Gustafson, Cary (DNRE)
Cc: Sygo, Jim (DNRE); Browne, Elizabeth (DNRE); Fish, Kim (DNRE); Okeefe, Colleen (DNRE)
Subject: EPA letter regarding the Kennecott Mine application (08-52-0140-P)

Attached is the letter we received from EPA yesterday withdrawing their objections to the subject permit application and finding that the proposed project will meet 404(b)(1) guidelines. The letter reflects the fact that the applicant has supplied sufficient information to the USFWS and EPA to address their concerns. However, also note that the EPA recommends that we require the applicant to monitor pH and metals in the lake for the life of the mine and for the applicant to develop a corrective action plan in the event that high concentrations of metals are observed in the lake.

It is my understanding that we have a deadline of February 9, 2010 by which to make a decision on this application. The EPA letter indicating that the proposed project will meet 404(b)(1) guidelines should allow us to continue processing this application. Please let me know if you have any questions or concerns.

Michael F. Masterson, Field Coordinator
Land and Water Management Division
Department of Natural Resources and Environment
P.O. Box 30458, Lansing, MI 48909
Direct: 517-335-1065 Fax: 517-373-6917
Email: mastersonm@michigan.gov



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5

77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

RECEIVED

JAN 28 2010

REPLY TO THE ATTENTION OF:

FEB 02 2010

WW-16J

ENVIRONMENTAL QUALITY
LAND & WATER MANAGEMENT DIV.

Ms. Colleen O'Keefe
Land and Water Management Division
Michigan Department of Natural Resources and Environment
P.O. Box 30028
Lansing, Michigan 48909

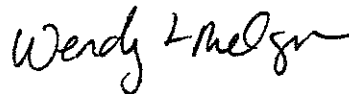
Dear Ms. O'Keefe:

This letter is in regard to Michigan Department of Environmental Quality's (MDEQ) file number 8-52-0140 in which Kennecott Eagle Minerals proposed to construct two water intake structures, place mine tailings in a man made lake, and discharge treated effluent to wetlands for the purpose of using the Humboldt Tailings Disposal Facility (HTDF) to process copper and nickel ore tailings. In a June 19, 2009 letter to you, we raised concerns with the impacts that the discharge of tailings into the lake would have on both fish and migratory birds. We also raised concerns regarding impacts to the wetlands that would be receiving the effluent. In this letter, we requested additional information regarding whether or not the disposal of tailings in the lake would make contaminants available to fish and wildlife species using the lake.

The applicant provided the requested information in a November 3, 2009 letter. Both EPA and the U.S. Fish and Wildlife Service (USFWS) have now completed reviewing the information in this letter. In a January 15, 2010 letter to EPA, the USFWS notified us that the additional information provided by the applicant has addressed the concerns raised by in their May 27, 2009 letter. The applicant's submittal also addressed the concerns we raised regarding impacts to the wetlands that would receive the effluent. However, to ensure that the discharge of tailings and mixing of waters within the HTDF perform as stated by the applicant, we request that the applicant be required to monitor water chemistry within the HTDF to assure that the pH level remains within circum-neutral range and metal concentrations in the lake remain within acceptable levels for wildlife exposure. In the event a complete mix event does occur, resulting in high concentrations of metals particularly copper and nickel, the applicant should be required to prepare and implement a corrective action plan that minimizes or eliminates wildlife exposure to elevated metal levels.

In summary, based on the additional information provided by the applicant, we find that the proposed project will meet the 404(b)(1) Guidelines. We recommend that the MDEQ (now Michigan Department of Natural Resources and Environment) require the applicant to monitor pH and metal levels in the lake throughout the life of the mine. We also recommend the applicant be required to develop a corrective action plan as discussed above. Thank you for the opportunity to provide additional comments on this project. If you have any questions regarding these comments please contact Sue Elston of my staff at 312-886-6115.

Sincerely,



for Peter Swenson, Chief
Wetlands and Watersheds Branch

cc: Barb Hosler, USFWS, Lansing MI